

**MEETING SUMMARY**  
**SAN JUAN ISLANDS VRS COMMUNITY PARTNERSHIP MEETING**  
**FRIDAY HARBOR HOUSE, FRIDAY HARBOR, WA**  
Wednesday, October 24, 2012 11:30 a.m. – 1:30 p.m.

*Note: This meeting summary represents notes from the Washington State Department of Transportation Ferries Division (WSF) Partnership Group Meeting, and is not a formal transcript or minutes. It is provided as a record for the staff, group members and public in attendance, and other interested parties.*

### **Welcome**

WSF Deputy Chief George Capacci

George welcomed the group members and made some opening remarks. He apologized for David Moseley being absent, and introduced the WSF staff in attendance.

### **Partnership Member Introductions**

The group members introduced themselves.

### **Partnership Overview**

Heather Rogers, BERK & Associates

Heather went over the agenda and discussed roles and responsibilities and the draft meeting plan (see pages 1-2 of the handout packet). Heather mentioned that future meetings may be held on other islands, and that all meeting summaries will be posted online for those that cannot attend.

### **Questions & Comments**

1. (Jim Corenman) I suggest that you schedule the meetings as far in advance as possible.

### **Reservations Program Overview**

Brian Churchwell, WSF IT Department

Brian discussed the timeline and results of the past partnership processes (see pages 3-4 of the handout packet).

### **Questions & Comments**

1. (Clark Johnson) There is a difference in your statements; George said there had been no decisions made about implementation yet, and Brian said that it will happen in 2014. *2014 is the earliest implementation in the San Juan Islands would happen if we move forward. From a planning perspective that is the timeline; we have to ask for funding from the Legislature and receive dollars for Phases 2 & 3 before we can implement the plan.*
2. (Bill Pike) I assume that reservations for the San Juan Islands would include the interisland boats as well as the Anacortes/Friday Harbor runs?

- That has not yet been decided; that decision will be made during this partnership process. The interisland reservations would be difficult, and the predesign study assumed there would be no interisland reservations. Exactly what Phase 2 entails is what this group is going to help us decide.*
3. (Jim Corenman) You mentioned Legislative funding; exactly how much will it take to implement this program?  
*We have 4 million dollars in the budget for Phase 2 based on the predesign study. There were lots of assumptions built in to that number; we have to discuss exactly what the system would look like in the islands before we know exactly what it will cost. That money is split; half for Intelligent Transportation Systems (ITS), and half for IT development and program management.*
4. (Margot Shaw) Are we jumping into this cold turkey or are you going to give us a blow-by-blow of Phase 1 and what has succeeded so far?  
*We will go over a lot of what happened during Phase 1 in future meetings, but I can go into some details now if you like. We completed a survey of existing reservation users and found that people like the website, they find it easy to use; they also like the predictability of travel that comes with being able to make a reservation. The Port Townsend/Coupeville partnership group felt very good about the new system; they thought it was a positive change. They had a high no-show rate with the old reservation system; that no-show rate dropped dramatically once the new system was in place and we started taking deposits.*
5. (Cass Clark) Let me make sure I understand something correctly: in order to process a reservation at Port Townsend you have to arrive early?  
*We ask people to arrive 30 minutes before their sailing; it used to be a much longer wait for the standby queue.*  
*I've taken that route many times and 30 minutes seems like a lot of time.*  
*It depends on the time of year and also the time of day. We have times when there are less staff to process reservations; we worked with the terminal staff to figure out the correct arrival window.*
6. (Cass Clark) What is the cost/benefit ratio for the system in Port Townsend? What have you saved and at what cost?  
*We have not completed the cost/benefit ratio, but I can tell you that our load has gone up; we are carrying more cars than before. Also the congestion in the communities has been reduced. This new system is flexible enough that we can change the percentage of the car deck that we reserve. We are still working on finding the right percentage for Port Townsend/Coupeville; we wanted to start small and increase it as we learned. We are working on a close-out report for Phase 1; we will circulate that to the group when it is complete.*
7. (Wally Gudgell) It seems that everyone is focused on minutiae; we need to focus on the bigger picture.
8. (Howie Rosenfeld) We began the process to get this group started a while ago; since then a new factor has popped up. We are now facing service cuts again. A community ferry group met in Anacortes a few weeks ago, and we voted that as long as service cuts are on the table no more money should be spent on reservations. The four million dollars you want for Phase 2 is the same amount of savings from the service cuts system wide. We are looking at two more months of winter schedule in the islands so that you can pay for reservations that are two years away; I'm concerned. This is now seven

years of threatened cuts we've had to fight against and here we are again; how do we deal with this?

*David is working on finding a sustainable funding source for the ferry system so that we don't have to go through this every year. We understand your concern and will take it back to David.*

### **Facilitated Group Discussion**

Heather Rogers, BERK & Associates

Heather asked the group to discuss their thoughts on the potential benefits and challenges of a reservations system in the San Juan Islands.

1. (Jamie Stephens) Some reconfigurations would be needed at the Lopez and Orcas terminals in order to implement reservations, which is not going to happen because we don't have the capital funds. How can you implement this system?  
*That is a great question. How to implement reservations with our existing infrastructure is one of the most urgent parts of this discussion. We need to look at each island's individual needs.*
2. (John MacLeod) Let me first say that this is long overdue; I fully support reservations. I am a full time Orcas resident who fully understands the importance of travel and tourism dollars to our communities. My concern is that hotels or travel agents could make large blocks of reservations and take those spaces from locals. The two hour cutoff is too late to help people on the islands who need to travel; we need to address this.
3. (Sally Thomsen) One benefit I see is that as an employer I can save money with reservations; anything that stops people from sitting in lines will save money. Also, for recreational and cultural purposes it would be great to know you can go off island and be assured that you can make it home the same day.
4. (Bill Pike) WSF only collects fares in one direction; you have no procedure yet to collect fares the other way. There is no way to pay a penalty without a fare collector, that is a huge component of this plan.  
*That is a big concern of ours. That is a business decision that needs to be made early on in this process.*
5. (Terresa Sundstrom) I use reservations already through the school system and I find it very helpful. One thing that drives me crazy is the 24 hour cancellation policy. We travel for weather-dependent sports such as tennis, and those matches can be cancelled five minutes before a sailing. We get charged for that and we can't afford it.  
*We are about meeting the specific needs of our communities. Policies in effect at Port Townsend/Coupeville may not be the same in the San Juan Islands.*
6. (Ken Burtness) Whatever you do to prevent abuse has to be airtight; people will find any loophole and abuse it.  
*When we worked on business rules for Port Townsend/Coupeville, part of that time was spent looking at how people can abuse the system.*
7. (Pat McKay) As a commercial user that makes multiple reservations every day, I want to point out that there does need to be a penalty for no-shows for hotels or whoever

- wants to reserve large blocks of space and then not use them. Otherwise it will impact locals who live on island and want to be able to just drive on.
8. (Carol Anderson) From a commuting point of view, I want to point out that the 24 hour cancellation policy makes it difficult to go to Seattle. Some commuters spend Monday through Thursday on the mainland and come home for the weekends. Coming home I used to avoid Fridays at all costs. I could always get home but it took a lot of time sitting in my car waiting in line; I never knew which exact sailing I would end up on.  
*That is what we call "return trip uncertainty," and we will be taking that into consideration as we look at this system.*
  9. (John MacLeod) BC Ferries has a reservation system that works quite well. They charge a fee to make a reservation on top of the fare, and if you no-show you lose that fee. That works both to pay for the system and to stop no-shows.
  10. (Bill Pike) The culture of the San Juan Islands is different from that of the lower Sound. We have more tourists, longer rides, more weather issues, etc. Perhaps a two-tiered system to deal with locals and tourists separately would work here. If you look at the predesign study, there will be quite a bit of savings for WSF by implementing reservations; adopting this system will actually save the State money.
  11. (Deborah Hopkins) To add to the list of benefits, I think reservations will save us time. Many of us get in line at 7:00 a.m. for the 8:00 a.m. boat; this would mean we could sleep in. Also, the peace of mind that you can get home when you had planned to would be wonderful. And speaking for the tourism industry, this will be very positive for tourists; it will have a positive impact on our economy.
  12. (Clark Johnson) I acknowledge that I need to be educated about this, and that this room is filled with different perspectives. I wish to be heard in the context of my particular view, which is as a Lopez commuter. I realize that the demand management model is a winner; I'm just not sure that vehicle reservations are the way to go for all your customers. I hope that we can discuss the other options listed in the predesign study as well.
  13. (Tony Ghazel) Will reservations be on all routes, or is it possible that if Lopez doesn't want them it could just be for Orcas and San Juan Islands?  
*Yes, that is possible, that is part of what we need to discuss with this group.*  
Also, could reservations be seasonal?  
*Also possible.*  
I've lived on Orcas for 15 years, and I think reservations make a lot of sense. It will help WSF manage their assets in a way that is beneficial to them as well as the customer. Waiting in lines costs everyone money. I'm on the school board for Orcas and ferry lines cost us a lot of money. Also, right now if an earlier boat is available, people are afraid to get on it in case they get dinged for changing their reservation inside of 24 hours.  
*You are correct about the lines; we lose ridership because people don't come to the islands because of the uncertainty of the travel. We hope to change that.*
  14. (Bill Pike) Right now if you go online to look at Port Townsend, on a Sunday afternoon it will say that all reservations are full, but there is standby available. I don't think "standby" is the correct word to use. The airline industry uses that word to say that there is no space unless someone doesn't show up. I think "space available" is more appropriate. An uneducated tourist would just look at that and say forget it, then go somewhere else.

15. (Tony Ghazel) I would like you to distribute the names and contact information of the group members to us so we can contact each other. Also, I think you should distribute the Long Range Plan so that we can all understand that information. Your boats are aging and you need new ones; we are stuck with the schedule we have until that happens. That will be in the year 2040 according to that plan, and that's assuming that none of your assets go out of service unexpectedly. Also, how did you end up calling something the "executive" class? It sounds exclusory.
16. (Howie Rosenfeld) The ridership of the ferry system is increasing steadily, which will increase the problem of limited capacity. That makes a case for a reservation system being more important. In the islands not all the boats do the same route all day. A breakdown can cause complicated backups. Standby customers could be stuck for two hours while others who have reservations go ahead of them; our routes are so complicated. One more point, the FAC has advocated for years that we need reservations for summer weekends to alleviate congestion. It makes visitors unhappy and the locals too. You could try starting this system on the weekends in the summer and go from there.
17. (Margot Shaw) Have reservations increased the efficiency of the routes that they are on?  
*Yes, even with only 60% of the space available for reservations at Port Townsend/Coupeville we are seeing some of the peaks even out.*  
So reservations equal efficiency?  
*Correct.*
18. (Jamie Stephens) How this reservation system will affect operations at the terminals needs to be discussed. Our island terminals are run by private interests, not by the State.
19. (John MacLeod) Airlines with high load factors have 100% reservations or higher; 60% or 70% won't give you a 95% load factor. The fact is that you get increased efficiency by raising that number; being assured of being able to make a trip will make people come. I think you should get that percentage as high as possible.
20. (Mark Lionie) Has there been any discussion of utilizing additional fees for peak periods to drive people toward off peak sailings?  
*We have looked at the idea of peak pricing, however our current fare collection system does not allow for demand management pricing at this time. We were able to implement day of week differential pricing because we could load new menus at the terminals each day. This process wouldn't work for peak time pricing.*
21. (Cass Clark) It seems clear that this reservation system unintentionally pits tourists against residents. I wanted to note that the designated boats for Lopez have worked out wonderfully. I think other alternatives should be considered rather than just reservations exclusively.
22. (Jamie Stephens) This discussion is morphing into how WSF can be more efficient when it should be about the customers being more comfortable and efficient. We need to be concerned about what is best for us and for the tourists. Locals need to be able to travel immediately when something comes up.  
*One of the guiding principles of our reservation system is that if you make a reservation and follow the procedures you will get on a vessel, we will never overbook our boats.*
23. (Clark Johnson) What is the load factor that will make you break even?

*Over 100%. We recover about 65% of our operational costs through the fare box; a subsidy is required for the rest. Also, that fare box return does not touch our capital costs.*

What is the load factor that you are targeting; what would be a success?

*We can't say exactly, we have always looked at overloads rather than underloads.*

I can get you information on Lopez.

24. (Ken Burtness) Now that we have dedicated boats at Lopez, I go into town about once a week in the summer and I can drive down five minutes before the sailing and get on. It's the same thing on the way back. It works for me, so I will never use reservations. What I want to address is what happens when vessels break down. On other routes there is a plan for what to do when a vessel goes out of service. Up here it is complete chaos for the passengers and the terminal staff. What will you do when that happens and you have reservations in place?

*That business rule for Port Townsend/Coupeville was decided by the partnership group. We will be discussing that here.*

25. (Wally Gudgell) I want to point out that reservations are for vehicles only; walk-ons will not be affected. People can travel by walking on at any time and will therefore never be stranded on an island due to reservations. Reservations will make the system more efficient, which is good for everybody.
26. (Mike Stolmeier) The international run is a great value to us up here, we are fortunate that that boat is available to us when the chaos hits. I feel that if that boat were not reserved for Sidney it would not remain in the San Juan Islands; it's a high value for us.
27. (Clark Johnson) Having read the predesign in detail, I notice that all the studies are conducted by firms in Bellevue; they don't know what goes on up here. One example is the planned communication improvements. It looks like a traffic report; we don't need that up here, we need a weather report.
28. (Deborah Hopkins) I get frustrated when I get in line three hours early to go from Anacortes to Friday Harbor, and I see people on their way to Lopez zooming on at the last minute.

## **Summary and Next Steps**

Heather Rogers, BERK & Associates

Heather quickly summarized the discussion and discussed the next steps.

The group asked for a way to communicate with each other outside of the meetings, a Google Group or blog of some sort.

December 6<sup>th</sup> was suggested as the date for the next meeting, same time of day. Carol, Wally, and John M. are not able to make that day, everyone else in attendance is available.

## **Public Comments**

1. (Lovell Pratt) I want to echo Howie's comment about justifying a reservation system when you're proposing service cuts. I can't support a budget for reservations when you



are cutting service. There are a number of benefits on that list that could happen without reservations. You could communicate which ferries are full, and encourage more people to walk on.

2. (Adrienne Adams) I'm here on behalf of Susan Young, who would like to know when the feasibility discussion is happening, not just implementation.

*The question of "if" we will implement this is still on the table. We will accept the idea that this may not work here, if you can accept the idea that it could work.*

3. (Alex Conrad) I want to point out that in the spirit of demand management, there is real-time data sharing as well as predictive analytics.

4. (Sharon Kivisto) There are other places in the world that have islands and can do this; we can do this too. I was wondering if you have had any issues with scalping reservations?

*Yes there have been at BC Ferries but not at WSF. We need to discuss how to avoid that here.*

I feel that when you implement this you should do it county wide and not exclude any of the islands.

5. (Chris Aiken) This feels like a single-faceted solution to a multi-faceted problem. There are other ways to manage demand. We have programs in this county that are trying to decrease the number of vehicles coming here and here you are trying to increase that number. Why not offer cheaper parking in Anacortes? We should broaden the discussion to include other ideas.

## Conclusion

George thanked everyone for participating. Meeting was adjourned.

## Group Members

| Present | Name of Group Member                | Representing    |
|---------|-------------------------------------|-----------------|
|         | Mike Aley                           | Orcas Island    |
| X       | Carol Anderson                      | San Juan Island |
|         | Kathy Booth                         | Lopez Island    |
|         | John Brantigan                      | Shaw Island     |
| X       | Ken Burtness                        | Lopez Island    |
| X       | Cass Clark                          | Lopez Island    |
| X       | Jim Corenman                        | San Juan Island |
|         | Lance Evans                         | Orcas Island    |
| X       | Nancy Fusare<br>(For David Dubbell) | San Juan Island |
| X       | Tony Ghazel                         | Orcas Island    |
| X       | Wally Gudgell                       | Orcas Island    |
|         | John Hess                           | San Juan Island |
| X       | Deborah Hopkins                     | San Juan Island |
| X       | Clark Johnson                       | Lopez Island    |

|   |                   |                 |
|---|-------------------|-----------------|
| X | Mark Lione        | Anacortes       |
| X | Pat McKay         | San Juan Island |
| X | John MacLeod      | Orcas Island    |
| X | Bill Pike         | Mount Vernon    |
|   | John Poletti      | Orcas Island    |
| X | Howie Rosenfeld   | San Juan Island |
| X | Margot Shaw       | Orcas Island    |
| X | Jamie Stephens    | Lopez Island    |
| X | Mike Stolmeier    | Orcas Island    |
| X | Terresa Sundstrom | San Juan Island |
| X | Sally Thomsen     | San Juan Island |
| X | Larry Vandermay   | Orcas Island    |
| X | John Whetten      | Lopez Island    |
|   | Susan Young       | Lopez Island    |

### **Project Team**

- George Capacci, WSF Deputy Chief
- Marta Coursey, WSF Director of Communications
- Brian Churchwell, WSF IT Department
- Dwight Hutchinson, WSF VRS Manager
- Leonard Smith, WSF Operations Manager
- Heather Rogers, BERK & Associates
- Rachel Waitt, WSF Communications Staff